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September 14, 2001

VIA OVERNIGHT DELIVERY

Ms. Debra King
Administrative Law Judge
Illinois Commerce Commission
160 North LaSalle
Suite 800
Chicago, IL 60601
(312) 814-6087

OFFICIAL FILE
I.C.C. DOCKET NO. 01-0557
Appel Exhibit No. 1
Witness _____
Date 9-28-01 Reporter TR

Re: Call Processing, Inc.
Docket No. 01-0557

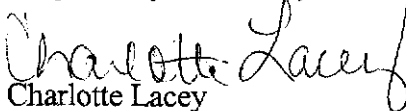
Dear Ms. King:

Enclosed please find an original and three (3) copies of the Prefiled Testimony for Charles J. Stimson of Call Processing, Inc..

I have also enclosed an extra copy of this letter to be time stamped and returned to me in the enclosed, pre-addressed, postage prepaid envelope.

If you have any questions or if I may provide you with additional information, please contact me at the above address or telephone number. Thank you for your attention to this matter.

Respectfully submitted,


Charlotte Lacey

Legal Assistant to Lance J.M. Steinhart
Attorney for Call Processing, Inc.

Enclosures

cc: Mr. Charles Stimson

STATE OF ILLINOIS
ILLINOIS COMMERCE COMMISSION

Call Processing, Inc.	:	
Application for a	:	
Certificate of	:	
Interexchange Service	:	
Authority to	:	
Operate as a Reseller of	:	Docket No. 01-0557
Telecommunications Services	:	
Within the State of Illinois	:	

PREFILED DIRECT TESTIMONY
OF
Charles J. Stimson

1. Q. Please state your name and business address.
A. Charles J. Stimson, 901 E. 18th Street, Plano, Texas 75074.
2. Q. By whom are you employed, and what is your position?
A. I am the President of Call Processing, Inc..
3. Q. Please describe your management experience.
A. My management experience, as well as the other key members of Call Processing, Inc.'s management team is set forth on Attachment C to our application.
4. Q. What is the purpose of your testimony?
A. The purpose of my testimony is to describe Call Processing, Inc.'s business and to demonstrate Call Processing, Inc.'s financial, technical and managerial ability to provide high quality, competitively priced, telecommunications services, and to describe how the

company will provide its services to customers within the State of Illinois.

5. Q. Please describe Call Processing, Inc.'s business.

A. Call Processing, Inc. is a reseller of interexchange telecommunications services, and is requesting authority to provide such services from points of origin within the State of Illinois to points of destination within the State of Illinois. Call Processing, Inc. intends to provide interexchange services, such as outbound 1+ and 1010XXX dialing, toll-free service, postpaid calling cards, prepaid calling cards, and directory assistance. Initially, the company will provide only prepaid calling card services. Call Processing, Inc. intends to market its telecommunications service primarily to users of prepaid calling cards through distributors of such cards. Call Processing, Inc.'s prices for long distance service will be competitive with AT&T Communications of Illinois, Inc.'s prices.

6. Q. In what state is Call Processing, Inc. organized?

A. Texas. A copy of Call Processing, Inc.'s Certificate of Organization is provided in Attachment B to our application.

7. Q. Is Call Processing, Inc. certified to do business in Illinois?
- A. Yes. A copy of Call Processing, Inc.'s qualification documents from the Secretary of state is provided in Attachment B to our application.
8. Q. Describe Call Processing, Inc.'s financial ability to provide the proposed services.
- A. Copies of Call Processing, Inc.'s Financial Statements for the years ending December 31, 1998 and December 31, 1999 were provided requesting confidential treatment.
9. Q. Who are the officers of Call Processing, Inc.?
- A. The current officers of Call Processing, Inc. are as follows:
- | | |
|--------------------|----------------|
| Charles J. Stimson | President |
| Brady S. Beshear | Vice President |
10. Q. Describe Call Processing, Inc.'s management team.
- A. Call Processing, Inc.'s management team is described on Attachment C to our application. As shown, our management team has many years' experience in the telecommunications industry.

11. Q. In your opinion, does Call Processing, Inc. have the financial and managerial resources necessary to provide the proposed telecommunications services in the State of Illinois?
- A. Yes. In my opinion, Call Processing, Inc. has the necessary financial and managerial resources to provide the proposed telecommunications services in the State of Illinois.
12. Q. Does Call Processing, Inc. intend to file a tariff in Illinois?
- A. Yes. Call Processing, Inc. will file a tariff upon a grant of certification by the Illinois Commerce Commission.
13. Q. Would you describe the configuration of Call Processing, Inc.'s system and equipment.
- A. Initially, Call Processing, Inc. will be a pure switchless reseller utilizing the equipment of and the service provided by a facilities based carrier. Originating calls from a customer are carried by the local exchange telephone company (LEC) to the LEC's end office or access tandem serving that customer. The LEC routes the calls to the underlying carrier for transmission. In the event that Call Processing, Inc. became a switched-based reseller, calls will then be

routed from the LEC to Call Processing, Inc.'s switch through a Feature Group D access arrangement. The calls are then carried over leased facilities to the underlying carrier's switch. The switch routes the call to the point of termination. For call termination Call Processing, Inc. will initially rely upon the underlying carrier, and in the event that Call Processing, Inc. obtains a switch, call termination will rely upon the combined use of leased facilities (with Feature Group D access capability to the terminating LEC) and various virtual WATS products supplied by other interexchange carriers.

14. Q. When dialing out on a phone serviced by Call Processing, Inc., what number(s) does the end user dial in order to access Call Processing, Inc.?
- A. The end user will dial 1 + or 101XXXX + area code and number. For prepaid calling cards, service will be accessed either through a toll-free number or local number.
15. Q. How is the end user billed?
- A. For presubscribed services, the end users will be billed directly by the company which will utilize "real-time" completed call detail information from our underlying carriers.

16. Q. In your opinion, does Call Processing, Inc. have the technical ability and resources necessary to provide the proposed telecommunications services to customers in the State of Illinois?

A. Yes. In my opinion, Call Processing, Inc. has the necessary technical ability and resources to provide telecommunications service to customers within the State of Illinois.

17. Q. Are you familiar with the term slamming, and if so, what will your company do to prevent slamming?

A. Yes, I am familiar with the term and the meaning of slamming. Since the company will initially provide only prepaid calling card service, slamming will not be an issue because there will be no carrier changes. When the company initiates presubscribed service, we will take all necessary measures in order to prevent slamming, including attempting to get a signed letter of agency from all presubscribed customers prior to commencing service, and all marketing will be done in accordance with all applicable state and federal regulations.

18. Q. Are there any pending complaints against Call Processing, Inc. in any states where it is providing telecommunications services?
- A. No.
19. Q. Please describe what services you intend to provide in the State of Illinois?
- A. We intend to provide 1+ and 101XXXX outbound dialing, 800/888 toll-free inbound service, travel cards, prepaid calling cards, and directory assistance. As stated above, the company will initially provide only prepaid calling card services. We do not intend to provide operator services.
20. Q. Will Call Processing, Inc. have any employees located in Illinois?
- A. No.
21. Q. Does the company wish to keep its books and records at its principal place of business in Texas?
- A. Yes.
22. Q. Does this conclude your testimony?
- A. Yes.